

**Statement of  
Chairwoman Marge Roukema  
on  
HR 3995  
The Housing Affordability for America Act of 2002**

**June 20, 2002**

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Mr. Chairman –

At the outset, Mr. Chairman, I would like to thank you for your attention and leadership on this issue and for expediting consideration of this important legislation. I'd also like to thank the gentleman from Wisconsin, Mr. Green, for chairing the proceedings of the Housing Subcommittee while I was in New Jersey undergoing medical treatment.

It is also appropriate that I note the contributions of the Ranking Member of the Housing Subcommittee, Mr. Frank and the Ranking Member of the full Financial Services Committee, Mr. LaFalce. Without their thoughtful contributions and constructive participation all through the legislative process, we would not be here today.

This morning we continue the legislative process which will lead us to enactment of HR 3995, the Housing Affordability for America Act of 2002. This bi-partisan legislation will help more Americans achieve the dream of homeownership by ensuring affordable housing opportunities. In the process, we strengthen communities by provide assistance to individuals in need.

Mr. Chairman, when it comes to housing and homeownership, Americans have much to be proud of. But there is still much to be done. While the homeownership rate stands at an impressive 68%, there are still some that are unable to share in that dream. With this bill we have an opportunity to meet the housing needs of even more Americans.

Despite our best efforts, this country is facing a growing affordable housing problem for low and moderate-income families and for those with special needs.

Since I took the reigns of the Housing Subcommittee, we have conducted 13 hearings to explore housing issues, including affordability and availability. In those hearings, we heard from community activists, housing experts, local and federal government officials and representatives from the home building, real estate and mortgage industries on the obstacles to home ownership and affordable rental housing across the country.

HR 3995 is the product of those hearings. This bill reforms current housing programs that are underused, duplicative or have been hindered by muddled objectives. It provides increased flexibility for local governments and

programs so that they can better meet the needs of their individual communities.

If we are to expand home ownership and affordable rental opportunities, then we must encourage new production of affordable single and multifamily housing.

First, the bill includes a housing production and preservation program within HOME targeted toward very low and extremely low income families. In addition, the bill provides flexibility and increased leverage opportunities for local governments and local decision-makers so they can better meet the needs of their individual communities.

The FHA program was originally designed to encourage lenders to make credit more readily available and at lower rates for various purposes that might otherwise go unmet. In this bill, we strengthen the FHA program and provide additional tools to encourage homeownership opportunities and to increase the supply of affordable rental housing for all Americans.

For elderly housing, we provide ways to rehabilitate and preserve existing elderly housing and to convert existing elderly public housing to assisted living; and for public safety officers we reduce downpayment requirements and we offer public safety officers the opportunity to purchase HUD-held single family properties at a discounted rate.

Needless regulation adds to the cost of housing. By reducing the cost of regulation, we can lower the cost of homeownership. That is why this bill would require a housing impact analysis of any new rule of a Federal agency that has an economic impact of \$100,000,000 or more.

Finally, we reauthorize HOPE VI, HOPWA, the Homeless Housing Programs, and the Native American Housing Act.

I would be remiss if I did not also give substantial credit to the President of the United States. This legislation includes several of the President's key housing initiatives. The American Dream Downpayment Fund, proposed by President Bush, will help families secure a downpayment for a home purchase. For many first-time, low-income families, the most significant obstacle to homeownership is the down payment and closing cost. This program, within the HOME program, will help families overcome that obstacle by providing much needed downpayment assistance.

Mr Chairman, it is time that we restored confidence and accountability to our nation's housing programs and policies. The provisions included in HR 3995 will expand homeownership and rental housing opportunities, help individuals who need a helping hand, and promote community and economic development.

I thank you once again for expediting it's consideration and urge adoption of this important bill.